

**REMARKS**

Claims 1-19 are currently pending in the present application. Reconsideration of all grounds of rejection in the Office Action, and allowance of all of the pending claims are respectfully requested in light of the following remarks.

The Examiner has finally rejected claims 1, 2 and 4-19 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent 6,591,365 to Cookson in view of U.S. Patent 6,081,897 to Bersson and further in view of U.S. Patent 5,930,209 to Spitzenberger et al.

Applicant respectfully traverses the rejection of claim 1 because applicant submits that a hypothetical combination of Cookson, Bersson and Sptiz does not yield the invention as recited in claim 1. The Examiner posits on page 11 of the July 20, 2006 Office Action that a combination of Cookson and Bersson generates a watermark data in a copy control field to indicate whether copying is allowed or prohibited. In stark contrast claim 1 recites a "data stream being mixed with watermark data." The "first section of the track" as recited in claim 1 describes a first section of a data stream, not a lead-in portion or a control field. Therefore, the combination of Bersson and Cookson does not yield the invention as recited in claim 1, nor does Spitz cure this deficiency. Claim1 is therefore not unpatentable over Cookson, Bersson and Sptiz for at least this reason.

In addition, a hypothetical combination of Cookson and Bersson also does not yield the invention as recited in claim 1 because Bersson discloses a copyright flag that identifies a track as copyrighted material. Thus, all copyrighted material is associated with a copyright flag. On the other hand, claim 1 recites at least one reserved bit which is marked to identify a first section of a track, not copyrighted material. Thus, it is possible

to have sections following the first section that do not have a reserved bit marked, but are nevertheless copyrighted material. This is against the teachings of Bersson which requires copyrighted material to have an associated copyright flag in order to be protected. No where does Bersson teach or suggest using a flag or a marked bit in a first section of a track, as recited in claim 1. Nor does Cookson or Spitz cure that deficiency. If one skilled in the art tried to apply the teachings of Bersson each section of a track would require a copyright bit and the method recited in claim 1 would not work. Thus, even if a hypothetical combination of Bersson and Cookson suggests a copyright bit mixed in a data stream, a combination which the applicant does not find any suggestion for, that combination does not teach or suggest the invention as recited in claim 1. Therefore, claim 1 is not unpatentable over Cookson, Bersson and Spitz for at least this additional reason.

Applicant also submits that there is no motivation to combine Cookson, Berrson or Spitz. The examiner bears the initial burden of factually supporting any prima facie conclusion of obviousness, thus applicant requests that the Examiner point out where in Cookson and/or Berrson there is a suggestion to combine a copyright bit located in a control field (Bersson, col. 1, lns. 57-65) with watermark data inserted into digital samples (Cookson, col. 4, lns. 35-54). The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991) and MPEP §2142. While both references are related in that they both examine copy protection information prior to rendering, Cookson describes watermarking

in a data stream while Bersson describes placing information in a control field. There is no suggestion to combine these teachings.

Furthermore, one skilled in the art would not be motivated to combine Sptiz and Cookson because Sptiz protects copyrighted material by inserting markers in areas that are hard to replicate by conventional copying apparatus. See Sptiz col. 2 lns 10-19 and col. 10, lns. 35-39, placing copy protection information in locations that cannot be created using standard optical recording apparatus, see Sptiz col. 2 lns 40-44, placing copy protection information in sectors with informationless data, and see Spitz col. 2 lns. 45-51, placing copy protection information in a lead-in / lead-out area. In contrast, Bersson teaches placing watermark information directly in a data stream (Cookson, col. 4, lns. 35-54). Optical recording apparatuses were made to reproduce data streams. Thus, one skilled in the art would not combine Sptiz with Cookson because Sptiz teaches using sectors which are hard to replicate and Cookson, in contrast, uses sectors that were meant to be replicated. .

Additionally, one skilled in the art would not be motivated to combine Bersson and Spitz because Spitz teaches away from Berrson. Spitz identifies copyright bits as a drawback because they can be easily overruled. See Spitz col. 1 lns 49-55. While Bersson used copyright bits to identify copyrighted material. Since Spitz negatively references copyright bits one skilled in the art would not be motivated to combine Spitz and Bersson.

For at least these reasons applicant submits that claim 1 is not unpatentable over the cited references.

Claims 2 and 4 in this application dependent either directly or indirectly from independent claim 1 and are, therefore, believed allowable and patentable under 35 U.S.C. § 103 for the same reason discussed above.

Independent claims 5, 10, 18 and 19 each recite watermark data mixed with a data stream having at least one reserved bit. Thus, independent claims 5, 10, 18 and 19 are believed allowable and patentable under 35 U.S.C. § 103 for the same reason discussed above with respect to claim 1.

Claims 6-9 and 11-17 dependent either directly or indirectly from independent claims 5, 10, 18 and 19 and are, therefore, believed allowable and patentable under 35 U.S.C. § 103 for the same reason discussed above.

Claim 18 has been amended to specify a condition that would authorize the rendering of a recording.

For the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested. The commissioner is authorized to charge any fees required in connection with the present Amendment to Deposit Account No. 14-1270.

Respectfully submitted,

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